

**Leveraging TOKYO GIRLS COLLECTION brand to develop promotional services**

This report is an English translation of part of the report issued on June 30, 2023.  
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**[9159 W TOKYO Sector : Services]**

Fiscal Year	Net sales (mn yen)	YoY (%)	Operating profit (mn yen)	YoY (%)	Ordinary profit (mn yen)	YoY (%)	Profit (mn yen)	YoY (%)	EPS (yen)	BPS (yen)	DPS (yen)
Jun.2021	1,987	-34.9	-211	-	-202	-	-218	-	-97.4	160.6	0.0
Jun.2022	2,065	3.9	93	-	87	-	128	-	53.5	215.5	0.0
Jun.2023 f	3,546	71.7	598	6.4x	575	6.6x	423	3.3x	172.7	-	0.0

Note: Non-consolidated basis. Figures for the fiscal year ending June 2023 are the company's forecasts.  
It conducted 1:20 stock split on March 4, 2023. Per share indices are adjusted retroactively.

**TOKYO GIRLS COLLECTION, the Intellectual Capital that Underpins the Business**

W TOKYO conducts business based on its unique production knowledge utilizing the TOKYO GIRLS COLLECTION (TGC) brand, one of Japan's largest fashion events.

By business category, the TGC production domain accounted for 68.6% of net sales for fiscal year ended June 2022, content production and branding for 25.2% and digital advertising for 6.2%.

**TGC Production**

The company's flagship brand, TCG, is held twice a year, every spring and fall, and has conducted the event a total of 36 times. W TOKYO's key revenue sources are sponsorships, ticket sales and brand exhibition fees received from apparel companies.

It is a transmission platform that integrates fashion shows, stage performances, and exhibition booths to display real clothes that people can wear every day, primarily targeting women in their teens to 30s.

W TOKYO is capitalizing on the planning and branding capabilities it has accumulated to conduct TGC in regional areas. The company also offers solutions for the revitalization of communities, such as the production of tourism PR movies and the promotion of local specialty products.

**Content Production and Branding**

W TOKYO earns revenue through advertising casting and creative production by planning new creative projects. In addition to this the company leverages the planning and branding capabilities developed through TGC to cast top influencers and artists as advertising pillars to brand merchandise.

**Digital Advertising**

The company operates Affiliate Walker, an affiliate service provider, and earns commission revenue as an advertising agency. Also, as TGC's official media, W TOKYO operates girlswalker.

## Financial Statements

Statement of income	Fiscal Year	Jun.2021		Jun.2022		Nine months to Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Net sales		1,987	100.0	2,065	100.0	3,221	100.0
Cost of sales		1,461	73.5	1,153	55.8	1,815	56.3
Gross profit		525	26.4	911	44.1	1,406	43.7
Selling, general and administrative expenses		737	37.1	817	39.6	671	20.8
Operating profit		-211	-10.6	93	4.5	734	22.8
Non-operating income		19	-	2	-	0	-
Non-operating expenses		10	-	8	-	9	-
Ordinary profit		-202	-	87	4.2	725	22.5
Profit before income taxes		-236	-	82	4.0	724	22.5
Net profit		-218	-	128	6.2	435	13.5

Balance sheet	Fiscal Year	Jun.2021		Jun.2022		Mar.2023	
		(mn yen)	(%)	(mn yen)	(%)	(mn yen)	(%)
Current assets		1,540	57.3	1,458	58.4	2,587	73.9
Cash and deposits		1,174	43.7	1,004	40.2	1,478	42.2
Accounts receivable-trade		183	6.8	229	9.2	985	28.1
Inventories		3	0.1	9	0.4	-	-
Non-current assets		1,145	42.6	1,038	41.6	914	26.1
Property, plant and equipment		41	1.5	32	1.3	26	0.7
Intangible assets		1,015	37.8	879	35.2	761	21.7
Investments and other assets		88	3.3	127	5.1	126	3.6
Total assets		2,686	100.0	2,497	100.0	3,502	100.0
Current liabilities		979	36.4	825	33.0	1,499	42.8
Accounts payable - trade		169	6.3	167	6.7	558	15.9
Short-term borrowings		250	9.3	100	4.0	50	1.4
Current portion of long-term borrowings.		206	7.7	164	6.6	145	4.1
Non-current liabilities		1,327	49.4	1,150	46.1	1,033	29.5
Long-term borrowings		1,298	48.3	1,133	45.4	1,025	29.3
Net assets		380	14.1	521	20.9	968	27.6
Owners' equity		380	14.1	521	20.9	968	27.6

Statement of cash flows	Fiscal Year	Jun.2021	Jun.2022	Nine months to Mar.2023
		(mn yen)	(mn yen)	(mn yen)
Cash flows from operating activities		71	281	416
Depreciation		15	18	10
Amortization of trademark right		90	90	45
Amortization of goodwill		72	72	36
Cash flows from investing activities		21	-95	46
Cash flows from financing activities		244	-356	-127
Dividends paid		-	-	-
Net increase in cash and cash equivalents		337	-169	335
Cash and cash equivalents		1,174	1,004	1,339

ite:Non-consolidated

urce: Prepared by Stock Research Center based on the notifiable prospectus.

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